

Division of Accounting and Reporting • Local Government Reporting Section

Reporting Instructions
for
Hospital Districts

*for the preparation of the
Annual Report of Financial Transactions to the State Controller*



Kathleen Connell
California State Controller

Introduction

Who must file:

All Hospital Districts are required, under Government Code 53891, to furnish financial information to the State Controller within 120 days after the close of each fiscal year.

The State Controller does *not* have the authority to grant extensions under *any* circumstances.

Where to file:

Office of the State Controller
Division of Accounting and Reporting
Local Government Reporting Section
P.O. Box 942850
Sacramento, CA 94250

Penalties:

Falsification of, or failure to, report. Any hospital officer who knowingly files a false report, or who refuses to submit a report, is guilty of a misdemeanor. Persons convicted of a misdemeanor face a maximum fine of \$1,000 or a sentence of 6 months in the county jail, or both.

Any hospital officer who refuses to submit a report, after receiving written notice from the State Controller to do so, is subject to prosecution by the Attorney General's Office, and additional penalties as follows:

1. In the case of a hospital with total prior year revenue of less than one hundred thousand dollars (\$100,000), as reported in the State Controller's annual financial reports, the forfeiture is one thousand dollars (\$1000).
2. In the case of a hospital with total prior year revenue of at least one hundred thousand dollars (\$100,000), but less than two hundred fifty thousand dollars (\$250,000), as reported in the Controller's annual financial reports, the forfeiture is two thousand five hundred dollars (\$2,500).
3. In the case of a hospital with total prior year revenue of at least two hundred fifty thousand dollars (\$250,000), as reported in the Controller's annual financial report, the forfeiture is five thousand dollars (\$5,000).

Upon request of the Controller, the Attorney General shall prosecute an action for the forfeiture in the name of the people of the State of California. If any report is believed to be false, incomplete, or incorrect the Controller is empowered under Section 12464 to appoint a qualified accountant to investigate, obtain the information required, and file a copy of this report with the legislative body of the district. If such an investigation must be

made in two successive years, a certified copy of the latter report must be filed with the county grand jury.

Accounting System:

Hospital districts' annual reports of financial transactions are to be prepared using the Hospital Uniform Accounting and Reporting system prescribed by the Office of Statewide Health Planning and Development (OSHPD), pursuant to the Hospital Disclosure Act of 1973.

Forms Required:

The following forms from the Office of the State Controller are required to be filed.

Coversheet	Page	02
Hospital Balance Sheet - Unrestricted Fund	Page	06
Statement of Income - Unrestricted Fund	Page	35
Fixed Assets and Depreciation	Page	56
General Obligation Bond Debt	Page	59
Revenue Bond Debt	Page	62
Certificates of Participation	Page	65
Federal & State Construction Debt	Pages	71 and 74
Time Warrant Debt	Page	77
Other Long-Term Debt	Page	80
Lease Obligation	Page	83
Appropriations Limit (Gann)	Page	89

Coversheet

Page 02 of the SCO forms package is the coversheet of the report. It identifies the district and provides all pertinent non-financial data. Provide all information requested. In order to expedite handling of the reports, please enter all items accurately and completely. Special attention to the following details is appreciated:

1. Enter name and phone number of the person who prepared the report. This will be the person contacted by the Controller's Office if there are any questions about the financial report.
2. The report *must* be signed and dated by the appropriate official.
3. Enter principal county. If the district is multi-county, list all other counties.
4. List the independent auditor's name, phone number, address, and contact person.
5. List directors and officials, verifying the names are current and correctly spelled.
6. The set of forms with the mailing label affixed on the front should be returned. Please make any necessary address corrections directly on the label and check the box below indicating a change.
7. Enter the phone number of the district office.
8. Enter the district's location address in the space provided (if different than the mailing address).

Schedule Instructions:

The Schedules are an integral part of the Hospital Districts reporting system. They contain information on fixed assets, long-term debt, and leases. All hospital districts are required to file these schedules when applicable.

Detailed instructions for completing the schedules listed below are found on the referenced pages:

Schedule Title	Page No.
Fixed Assets and Depreciation	56
General Obligation Bond Debt	59
Revenue Bond Debt	62
Certificates of Participation	65
Federal Construction Debt	71
State Construction Debt	74
Time Warrant Debt	77
Other Long-Term Indebtedness	80
Lease Obligation	83
Appropriations Limit (Gann)	89

Page 06
Hospital Balance Sheet -
Unrestricted Fund

This schedule reflects the district's Hospital Balance Sheet - Unrestricted Fund. All hospital district's owning fixed assets and/or having long-term debt must file this schedule.

Line Name	On Line	Description
Total Property, Plant, and Equipment	1	Enter the total amount of property, plant, and equipment.
Less Accumulated Depreciation and Amortization	2	Enter the amount of accumulated depreciation.
Construction in Progress	3	Enter the amount of construction in progress.
Total Long-term Debt	4	Enter the amount of long-term debt.

Page 56:
Fixed Assets and
Depreciation Schedule

This schedule reflects the district's fixed assets and depreciation. All hospital districts owning fixed assets must file this schedule. The information on this schedule must tie back to the district's OSHPD Balance Sheet 5(1).

Line Name	On Line	Description
Balance, beginning of the year	1	Enter the ending balance reported on page 56, line 5 in the prior year. Any audit or prior year adjustments are to be shown on line 4.
Additions	2	Enter the total of fixed assets acquired during the period. Include donated assets at their fair market value. Purchased assets are entered at their full purchase price before any trade-in allowances. Also include any increase in construction in progress.
Less Retirements	3	Enter assets sold, retired, or destroyed. Use the gross book value only.

(Continued)

Line Name	On Line	Description
Adjustments (increases/ decreases)	4	Enter the amount by which the balance of the fixed asset accounts change for reasons other than additions (shown on line 2) or retirements (shown on line 3), i.e., any audit or prior year adjustments or revaluation of assets.
Balance, end of year	5	The total of lines 1 through 4.
Depreciation Balance, beginning of year	6	Enter the ending balance reported on Page 56, line 10 in the prior year. Show any audit or prior year adjustments on line 9.
Depreciation Accruals	7	Enter the amount of depreciation accrued on the above assets during the report year.
Less Net charges for plant retired	8	Enter the amount by which accumulated depreciation accounts were charged when fixed assets were sold or retired.
Adjustments (increases/ decreases)	9	Enter the amount by which accumulated depreciation accounts changed for reasons other than depreciation accruals (line 7).
Depreciation Balance, end of year	10	Total of lines 6 through 9. This amount reflects the total accumulated depreciation for the district.
Net Fixed Assets	11	The difference between lines 5 and 10 equals the net fixed assets of the district.

Page 59:
General Obligation
Bond Debt Schedule

The schedule reflects general obligation bonds outstanding and/or authorized during the report year. All hospital districts with this type of debt are required to file this schedule.

General obligation bonds refer to bonds whose principal and interest are payable from the proceeds of ad valorem taxes or ad valorem assessments, which may be levied by the district.

Combine bond issues applicable to the same year of authorization under the same column.

If refunding bonds are issued to extinguish or defease the existing debt through the establishment of a trust, which will be completely responsible for servicing the debt, the original issue need not be reported.

Line Name	On Line	Description
Year of authorization	1	Enter the year of the authorization, not the year of the issue.
Principal amount authorized	2	The total amount of the authorization, whether fully issued or not.
Principal amount unissued	3	Enter the amount authorized but not issued.
Principal amount unmatured beginning of fiscal year	4	Of the amount issued, enter the principal amount unmatured at the beginning of the fiscal year. (This amount should agree with the prior year's Page 59, line 9 entry.)
Adjustments (increases/decreases)	5	Enter the amount by which the balance of the General Obligations Bond Payable account changed for reasons other than additions or maturities, i.e., prior year audit adjustment.
Principal amount issued during fiscal year	6	Enter the total amount issued during this fiscal year.
Principal amount matured during fiscal year	7	Enter principal amount matured during this fiscal year. Do not enter the current portion of bonds payable since it does not mature until the following fiscal year.
Principal amount defeased during fiscal year	8	Principal amount defeased through the establishment of a trust which will be completely responsible for servicing the debt.
Principal amount unmatured end of fiscal year	9	Enter the principal amount unmatured at the end of the fiscal year.
Principal amount in Default	10	Enter any principal amounts that have matured, but are in default.
Interest in Default	11	Enter any interest amounts that have matured, but are in default.
Amount held in Bond Reserve Fund	12	Enter the total amount held in the bond reserve fund (including investments) for each bond authorized.

(Concluded)

Page 62:
Revenue Bond Schedule

This schedule reflects revenue bonds outstanding and/or authorized during the report year. All hospital districts with this type of debt are required to file this schedule.

Revenue bonds refer to bonds whose principal and interest are payable from the earnings of a revenue-producing enterprise agency.

Combine bond issues applicable to the same year of authorization under a single column.

Line Name	On Line	Description
Year of authorization	1	Enter the year of the authorization, not the year of issue.
Principal amount authorized	2	Enter the total amount of the authorization, whether fully issued or not.
Principal amount unissued	3	Enter the amount authorized but not issued.
Principal amount unmatured, beginning of fiscal year	4	Of the amount issued, enter the principal amount unmatured at the beginning of the fiscal year. (This amount should agree with the prior year's Page 62, line 9 entry.)
Adjustments (increases/decreases)	5	Enter the amount by which the balance of the Revenue Bond Payable account changed for reasons other than additions or maturities, i.e., prior year audit adjustment.
Principal amount issued during fiscal year	6	Enter the total amount issued during this fiscal year.
Principal amount matured during fiscal year	7	Enter principal amount matured during this fiscal year. Do not enter the current portion of bonds payable since it does not mature until the following fiscal year.
Principal amount defeased during fiscal year	8	Enter the principal amount defeased through the establishment of a trust, which will be completely responsible for servicing the debt.
Principal amount unmatured, end	9	Enter the principal amount unmatured at the end of the fiscal year.

of fiscal year

(Continued)

Line Name	On Line	Description
Principal amount in default	10	Enter any principal amounts that have matured, but are in default.
Interest in default	11	Enter any interest amounts that have matured, but are in default.
Amount held in Bond Reserve Fund	12	Enter the total amount held in the Bond Reserve Fund (including investments) for each bond authorized.

(Concluded)

Page 65:
Certificates of
Participation Debt
Schedule

This schedule reflects certificates of participation outstanding and/or authorized during the report year. All hospital districts with this type of debt are required to file this schedule.

Certificates of participation refer to certificates whose principal and interest are payable from lease rental revenue of a hospital district.

Combine certificates of participation issues applicable to the same year of authorization under the same column.

Line Name	On Line	Description
Year of authorization	1	Enter the year of the authorization, not the year of issue.
Principal amount authorized	2	Enter the total amount of the authorization, whether fully issued or not.
Principal amount unissued	3	Enter the amount authorized but not issued.
Principal amount unmatured beginning of fiscal year	4	Of the amount issued, enter the principal amount unmatured at the beginning of the fiscal year. (This amount should agree with the prior year Page 65, line 9 entry.)
Adjustments (increases/decreases)	5	Enter the amount by which the balance of the Certificates of Participation payable account changed for reasons other than additions or maturities, i.e., prior year audit adjustment.
Principal amount issued during fiscal year	6	Enter the total amount issued during this fiscal year.
Principal amount matured during fiscal year	7	Enter principal amount matured during this fiscal year. Do not enter the current portion of bonds payable since it does not mature until the following fiscal year.
Principal amount defeased during fiscal year	8	Enter the principal amount defeased through the establishment of a trust, which will be completely responsible for servicing the debt.
Principal amount unmatured end of fiscal year	9	Enter the principal amount unmatured at the end of the fiscal year.

(Continued)

Line Name	On Line	Description
Principal amount in default	10	Enter any principal amounts that have matured, but are in default.
Interest in default	11	Enter any interest amounts that have matured, but are in default.
Amount held in Bond Reserve Fund	12	Enter the total amount held in the Bond Reserve Fund (including investments) for each bond authorized.

(Concluded)

**Page 71 and 74:
Federal and State
Construction Debt
Schedule**

These schedules reflect construction loans held with the U.S. Government and/or the State of California. All hospital districts with this type of debt are required to file these schedules.

If more than one contract exists, they may be combined on one schedule.

Line Name	On Line	Description
Maximum repayment obligation	1	Enter the amount of maximum repayment obligation per contract as shown on the prior year's schedule, end of fiscal year.
Adjustments made during the year	2 and 3	Enter the amount of adjustments or new contract amounts to the beginning repayment obligation and explain. <i>Do not deduct principal payments.</i>
End of fiscal year	4	Enter the amount of maximum repayment obligation, end of fiscal year.
Amount received to date	5	Enter the amount of money transmitted to date to the hospital district for expenditures, under the terms of the contract.
Amount expended to date on behalf of district	6	Enter the amount of money expended to date by the federal government or the State on behalf of the hospital district, in keeping with the terms of the contract.
Principal amount unmatured beginning of fiscal year	7	Enter the principal amount unmatured at the beginning of the fiscal year. (This amount should agree with prior year's line 11 on Pages 71 or 74.)
Adjustments (increases/decreases)	8	Enter the amount by which the balance changed for reasons other than additions or maturities, i.e. audit adjustment, forgiveness of debt.
Principal amount received during fiscal year	9	Enter the amount received or expended on behalf of the district during the report year.
Principal amount matured during fiscal year.	10	Enter the amount matured during fiscal year. Do not enter the current portion of principal payable since it does not mature until the following fiscal year.

(Continued)

Line Name	On Line	Description
Principal amount unmatured end of fiscal year	11	Enter the principal amount unmatured, end of fiscal year.
Principal amount delinquent	12	Enter any principal amounts that have matured but are unpaid.
Interest amount delinquent	13	Enter the amount of interest due but unpaid.
Interest amount accrued	14	Enter the amount of accrued interest payable.

(Concluded)

Page 77:
Time Warrant Debt
Schedule

This schedule is used to report outstanding time warrants not reported on the other debt schedules. All hospital districts with these types of debt are required to file this schedule. Only the principal amounts should be reported on this schedule.

The principal amount unmatured, end of fiscal year, should include both *current* and *long-term* portions of debt.

Refundable agreements carried in the district's accounts as deferred credits should *not* be reported on this schedule.

Line Name	On Line	Description
Principal amount unmatured, beginning of fiscal year	1	Enter the ending balance reported on Page 77, line 6 in the prior year. Report any prior year adjustments on lines 2 or 3.
Adjustment made during the year	2 3	Enter the amount of prior year or audit adjustments to the beginning balance.
Principal amount sold during fiscal year	4	Enter the principal amount sold during the fiscal year.
Principal amount matured during fiscal year	5	Enter the principal amount matured during the fiscal year. Do not enter current portion of principal payable since it does not mature until the following fiscal year.
Principal amount unmatured, end of fiscal year	6	Enter the principal amount unmatured at the end of the fiscal year.
Principal amount in default	7	Enter any principal amounts that have matured, but are in default.
Interest in default	8	Enter any interest amounts that have matured, but are in default.
Principal amount due not presented	9	Enter the principal amount due, but not presented for payment.
Interest amount due not presented	10	Enter the interest amount due, but not presented for payment.

(Continued)

Line Name	On Line	Description
Interest paid during fiscal year	11	Enter the interest amounts paid during the fiscal year.
Principal and interest due during next fiscal year	12	Enter the principal and interest due during the next fiscal year.

(Concluded)

Page 80:
Other Long-Term
Indebtedness Schedule

Use this schedule to report long-term indebtedness not reported on other debt schedules. All hospital districts with these types of debt are required to file this schedule.

The principal amount unmatured, end of fiscal year, should include both *current* and *long-term* portions of debt.

Do not include compensated absences and sick leave payable on this schedule. This payable is included on a non-enterprise balance sheet as a memo entry in the long-term debt group of accounts only.

Line Name	On Line	Description
Principal amount unmatured, beginning of fiscal year	1	Enter the ending balance reported on Page 80, Line 15, in the prior year.
Adjustments made during the year	2 and 3	Enter the amount of prior year or audit adjustments to the beginning balance.
Principal amount received during fiscal year	4	Enter the principal received during the fiscal year. Do not include any interest amounts
Principal amount matured during the fiscal year	5	Enter principal amount matured during the fiscal year. Do not enter current portion of principal payable since it does not mature until the following fiscal year.
Principal amount unmatured, end of fiscal year	15	Enter on lines 6 through 14 the payees and principal amounts unmatured, end of the fiscal year. On line 15, enter the total of lines 6 through 14. These amounts include current and long-term portions of principal.

**Page 83:
Lease Obligation
Schedule**

This schedule is used to report lease-obligation(s) having a term of more than 10 years and providing for district ownership of the property at the end of the term. All hospital districts that are *lessees* (party to the agreement who pays) in a lease-purchase agreement are required to file this schedule. Provide all information requested. Two agreements can be reported on one schedule. If more than two exist, a second schedule must be used.

Total future payments that will be required if the district completes the unexpired term of the lease-obligation should include principal and interest.

**Page 89:
Appropriations Limit
(Gann) Schedule**

This schedule is used to report the appropriations limit and the total annual appropriations subject to the limit for each hospital district in accordance with California Constitution Article XIII B.

Line Name	On Line	Description
	1	Enter the appropriations limit as of the end of the fiscal year.
	2	Enter the total annual appropriations subject to the limit as of the end of the fiscal year.
	3	Enter amount. If line 1 is greater than line 2, enter positive amount. If line 1 is smaller than line 2, enter negative amount. If line 1 and two are equal, enter 0.
	4,5,6 or 7	Check appropriate box. Please specify if box 7 is checked.